Exporters Entitlement (NQEE) from one year to two years, earmarking certain percentage of annual level for the FCFS System, restricting transfer of entitlements during Tune—September period to 50% of the entitlements etc.

The Government had carefully considered the representation and also various other representations received regarding various aspects of the quota policy and decided that it is desirable to make changes with regard to two elements of the policy. Accordingly, amendments were issued to the Policy providing for direct transfer of entitlements between the exporters and imposing certain restrictions on transfer of entitlements during June-September period.

Stabilisation of Cotton Yam Prices

3860. SHRI PRAGADA KOTAIAH : Will the Minister of TEXTILES be pleased to state:

(a) whether representations have been received by the Ministry of Textiles urging for stabilization of cotton yarn prices to be fixed by an Export Committee to be appointed for the purpose and for placing stabilization fund of Rs. 100 crores at the disposal of N.H.D.C. for the purpose of procuring and distributing yam at stabilized prices to handloom weavers in and outside the cooperatives; and

(b) if so, the action taken thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Yes, Sir.

(b) The National Handloom Development Corporation (NHDC) is provided with assistance by way of share capital for enabling it to supply yam to handloom weavers. Assistance is also provided under mill-gate price scheme. The NHDC procures and distributes yarn on receipt of specific indents and is not engaged in storage of yam. The scheme for setting up of Handloom Development Centres has targeted, *inter alia,* to enhance the capital base of the primaries so that they are able to procure larger quantities of yarn and thin give more employment to handloom weavers. In view of these reasons, Government does not propose to create a stabi-"sr>rion fund of Rs. 100 crores.

Reelief to Handfoom Weavere.

3861. SHRI PRAGADA KOTAIAH: Will the Minister of TEXTILES be plea-ed to state :

(a) whether any representation from members of parliament and weavers' co-operative societies have been received by the Prime Minister requesting for immediate relief to millions of handloom weavers in dire distress :

(b) if so, what are the demands made for their relief; and

(c) the action taken or proposed to be taken to meet their demands in order to provide relief to handloom weavers ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) Yes, Sir.

(b) Following are the demands made by the signatories of the representation:—

(i) to suspend the exports of cotton yarn till such time they go down to the level of November, 1993 to help handloom weavers;

(ii) to create a stabiliation fund of Rs. 100 crores to stabilise the prices as suggested by an expert committee and arrange its procurement and distribution by NHDC Lucknow which may be assisted by a committee of hand-loom weavers in cooperatives for its effective functioning;

(iii) to direct the mills in the cooperative sector and also under the NTC to produce only hank yam of standard counts: and

(iv) to prosecute the mills which have been deliberately defying the direction of the Government to produce hank yam to the extent of 50% of their marketable output.

(e) Government has examined the demands made by the representationists. Cotton yam exports constituted only 10% of the country's total cotton yam production and thus suspension of cotton yam exports may not have any perceptible impact on hank yarn prices. The increase in cotton yam prices in the recent past has

been essentially due to the steep increase in. raw-cotton prices. However, hank yam of counts upto 60s which is the main raw-material used in the handloom sector is not permitted to be exported. Regarding creation of a stabilisation fund of Rs. 100 crores to stabilise the prices of hank yarn it may be stated that the National Handloom Development Corporation (NHDC) is provided with assistance by way of share capital for enabling it to supply yam to handloom weavers. The NHDC procures and distributes yam on receipt of specific indents and is not engaged in storage of yam. The scheme for setting up of Handloom Development Centres has targeted, *inter alia,* to enhance the capital base of the primaries so that they are able to procure larger quantities of yarn and thus give more employment to handloom weavers. In view of these reasons, Government does not propose to create a stabilisation fund of Rs. 100 crores.

Government of India has already issued directives to the spinning mills in the State and Cooperative Sector including NTC to fulfil the Statutory Hank Yarn Obligation.

Office of the Textiles Commissioner has been instructed to lodge FIRs against the mills who are defaulting the Hank Yarn Obligation Order.

Representations for suspension of Cotton Exports

3862. SHRI PRAGADA KOTAIAH : Will the Minister of TEXTILES be pleased to state :

(a) whether representations from hand-loom weavers have been received to suspend exports of cotton yarn of all counts till 'he prices 20 down to the level of November-December, 1993 to help hand-loom industry which has been hit hard by sky-rocketing prices of yarn used by hand-looms;

(b) what were the quantities of cotton yarn exported during 1993;

(c) what were the quantities of cotton yarn exported by all categories of exporters from 1st January. 1994 to 31st March. 19.94; and

(d) whether co'ton yam is covered by the Essential Commodities Act, if so, what are the steps taken or proposed to be taken to procure and distribute yam to hand-loom weavers in cooperative and corporate bodies and also those in the private sector at reasonable rates.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) There have been representations from handloom and power-loom weavers Associations requesting for suspension of cotton yam exports with a view to bring down their prices.

(b) and (c) The quantity of cotton yam exported during 1993 and the period January-March, 1994 is given below :

(Provisional)
(Quantity in Million Kgs.)

	1993 J:	iviuary-Mareh 94
Under Ceiling	10834	30 -SO
Under Advance Licensing Scheme	23 23	6 '32
By 100% EOUs	34 37 165 94	12 -82
		49-94

(d) Cotton yarn is included in the list of Esssntial Commodities. With a view to ensure adequate production of hank yarn used in the handloom sector, Government has issued Hank Yarn Packing Noti-fication under the provisions of the Essential Commodities Act requiring each producer of yarn to pack atleast 50% of their marketable yarn in hank form. In addition, Government of India has taken the following measures to make available adequate quantity of hank yarn to handloom weavers at reasonable prices :—

(i) loan assistance for setting up of Weavers Cooperative Spinning Mills for increasing the availability of hank varn in the handloom sector;

(ii) constitution of State Level Yam Price Fixation Committees for regulating the prices of yarn produced in the cooperative and state sector mills for supply to hand-loom weavers;

(iii) National Handloom Development Corporation has been set up with